

**UNAPPROVED**  
MINUTES OF THE SPECIAL JOINT CITY COUNCIL, ALAMEDA  
REUSE AND REDEVELOPMENT AUTHORITY (ARRA), AND  
COMMUNITY IMPROVEMENT COMMISSION (CIC) MEETING  
TUESDAY- -FEBRUARY 15, 2011- -7:01 P.M.

Mayor/Chair Gilmore convened the meeting at 8:15 p.m.

ROLL CALL - Present: Councilmembers / Board Members / Commissioners  
Bonta, deHaan, Johnson, Tam and Mayor/Chair  
Gilmore – 5.

Absent: None.

AGENDA ITEM

(11-009 CIC) Recommendation to Approve Execution of Estoppel Certificates and Consent to Assignments of the Following Documents (collectively, "Alameda Landing Agreements") to Catellus Alameda Development, LLC ("Catellus") Conditioned upon Receipt of Entity Relationship Information: 1. The Disposition and Development Agreement Dated December 5, 2006, By and Between the Community Improvement Commission of the City of Alameda ("CIC") and Palmtree Acquisition Corporation ("PAC"), as Amended by (a) the First Amendment to Disposition and Development Agreement (Alameda Landing Mixed Use Project) Dated as of December 4, 2007, and (b) the Second Amendment to Disposition and Development Agreement Dated as of June 4, 2008 (Collectively, the "Alameda Landing DDA"); 2. The Development Agreement (Alameda Landing Mixed Use Commercial Project) Dated as of January 16, 2007, By and Between the City of Alameda ("City") and PAC, as Amended by the First Amendment to Development Agreement (Alameda Landing Mixed Use Commercial Project) Dated as of December 4, 2007 (Collectively, the "Commercial DA"); 3. The Development Agreement (Alameda Landing Mixed use Residential Project) Dated as of January 2, 2007, By and Between the City and PAC (the "Residential DA"); 4. The Right of Entry for Preliminary Work (Alameda Landing - Testing/Investigation) Permit, Dated August 31, 2009, By and Between PAC, as Permittee, and the CIC, as Amended by That Certain Right of Entry for Preliminary Work (Alameda Landing - Testing/Investigation), Dated August 30, 2010 (the "Permit"); 5. Agreement of Property Exchange and Joint Escrow Instructions, Dated as of May 13, 2008, By and Among PAC, the Peralta Community College District (the "District"), and the CIC, as Amended by (a) the First Amendment to Agreement of Property Exchange and Joint Escrow Instructions Dated as of June 3, 2008, and (b) the Second Amendment to Agreement of Property Exchange and Joint Escrow Instructions Dated as of June 24, 2008 (Collectively, the "Property Exchange Agreement").

The Deputy City Manager – Development Services gave a brief presentation.

Tom Marshall and Sean Whiskeman, Catellus Development Corporation, gave a Power Point presentation.

Commissioner Tam stated the schedule is aggressive and inquired whether the new owners have committed funding.

Mr. Marshall responded a financial analysis has been done as part of the asset acquisition; stated TPG has an interest in developing Alameda Landing; standard things have to happen before going forward; the Governor's pursuit of redevelopment funds needs to be understood; lining up Target and additional retailers and bringing conversations with homebuilders to fruition are important; close to \$20 million has already been spent, including Stargell improvements; TPG would be the majority owner, not an investor, and would be prudent underwriters.

Commissioner Johnson inquired how the project would be impacted if the Governor's proposal goes forward, to which Mr. Marshall responded that he does not know whether grandfathering in the project would be possible.

Commissioner Johnson stated existing debt could be grandfathered, but no future debt would be issued.

Mr. Marshall stated \$20 million has been spent based upon the assumption that redevelopment funds would be available; there is a contract [DDA] to that effect, however, the City has been careful not obligate itself to something it does not have; other cities and developers are in the same position and will fight to avoid it [elimination of redevelopment funding]; the loss would not be insurmountable.

The Deputy City Manager – Development Services stated the City considers that it has an obligation that constitutes debt under redevelopment law.

The Acting City Attorney stated an action was taken several weeks ago to protect everything locked in by contract.

Commissioner Johnson inquired when are the next milestones under the current DDA.

Mr. Marshall responded an infrastructure commitment would be needed by the end of 2012; stated the DDA includes a first phase or an alternative first phase, which is a minimum of 14 acres; the intent is to comply with the milestone.

Chair Gilmore inquired whether Target would be opening in 2013, to which Mr. Marshall responded the current schedule is working towards a 2013 opening.

Chair Gilmore inquired whether infrastructure for the 14 acres would have to be done

well before [Target opens], to which Mr. Marshall responded in the affirmative.

In response to Commissioner Johnson's inquiry regarding the timeline in the agreement, Mr. Marshall stated Catellus is proposing to abide by the timelines in the DDA; operating under a tighter timeframe would be difficult; the schedule has been discussed with Target; adequate contingency is needed for issues that might arise.

Commissioner Johnson stated the community has been hearing about Target for some time; the term sheet was negotiated a couple of years ago; inquired whether there is anything firmer now.

Mr. Marshall responded Catellus has four deals with Target; stated Target has set priorities and has slotted Alameda Landing for 2013; ground is being broken for a Target in Fremont, which has a more pressing need; Target calls the shots; Catellus is not in a position to push the schedule because of the economic environment; new ownership and an improved economic environment allow Catellus to better project the schedule; however, the Target project is not iron clad and cannot be guaranteed.

In response to Commissioner Johnson's inquiry regarding when the project would start, Mr. Marshall stated demolition would have to start soon.

Commissioner Johnson stated Catellus would have to move quickly to meet the milestone with or without Target.

Mr. Marshall stated quite a few decisions have to be made to commit to the process; Target is an important piece; Catellus has its work cut out to deliver on schedule.

Commissioner Johnson stated that she is disappointed to hear that the project was relegated to a non-core asset status [under ProLogis; inquired how and when the status occurred and how the City can ensure it does not happen again.

Mr. Marshall responded ProLogis never indicated the project would not go forward; stated the point is that Alameda Landing would be the centerpiece going forward [under TPG]; the project is reintroducing the Catellus brand.

Commissioner deHaan inquired whether the proximity of the Emeryville Target would impact Alameda.

Mr. Whiskeman responded Target took over the old Home Depot Expo in Emeryville; stated the store would open March 6<sup>th</sup> and is in an area that is massively underserved.

Commissioner deHaan stated milestones have been extended; the City put up \$2 million to remove the hospital; inquired how the City would be reimbursed.

The Deputy City Manager – Development Services responded staff has discussed the matter with Catellus; stated Catellus would be asking for DDA amendments; both Catellus and the City want recognition for past expenditures.

Commissioner deHaan stated the City's sewer funds were loaned to the Stargell Project, which some thought should have been covered by Catellus.

Commissioner Johnson inquired when conveyance would occur, to which Mr. Marshall responded Catellus is focused on committing to infrastructure, which would precede conveyance.

Commissioner Johnson stated not moving forward aggressively would be easy for Catellus; the City does not want Catellus holding on to the land longer than necessary.

The Deputy City Manager – Development Services stated Catellus would be taking down the land and selling 10 acres to Target.

Commissioner Johnson stated having something more concrete on Target's plan to move forward in Alameda would be nice; Target is opening in other areas within close proximity; questioned when market saturation would be reached; stated decisions have been made based on Target coming to Alameda; an economic disincentive should be established, such as conveying the land by a set date, to prevent Catellus from simply holding on to the land; that she is reluctant to consider the Estoppel Agreement if Catellus is asking for DDA amendments; that she would prefer to see everything come at the same time.

Chair Gilmore inquired what happens if Catellus does not meet the first mandatory milestone.

Mr. Marshall responded the City would put Catellus on notice; stated one remedy would be for the City to start marketing the property; Catellus would have a first position lien to recover the money it advanced on the Stargell right-of-way.

Chair Gilmore inquired whether Catellus asking for consent to the transfer would allow the City to impose any more stringent requirements to accelerate the timeline.

The Acting City Attorney responded the Commission has absolute discretion over approval; stated the Commission deciding to deny the transfer would trigger a sequence of events, including a meet and confer process; Catellus has remedies available under the Contract; staff has recommended keeping DDA amendments separate from the transfer; the Commission could discuss including conditional approval items.

Chair Gilmore questioned the point of withholding consent when Catellus has to meet the 2012 deadline.

Mr. Marshall noted that the City would be talking to ProLogis, not Catellus, if the transfer is not approved; stated everyone involved with the project is leaving as part of the TPG transaction; that he understands the frustration with the lack of progress; however, progress has been made with Stargell; the schedule is tight; the DDA amendments being contemplated are more technical in nature to accommodate the Target building; the amount of square footage allowed south of Mitchell Avenue is limited; a lot [of the amendments] are planning in nature; the issues have been discussed with Community Development staff; staff has liked what Catellus has presented.

Chair Gilmore stated that she is not asking the questions because she does not want to give consent; rather, she is letting Catellus know if consent is given and the 2012 deadline is not met, there probably would not be any second chances; Catellus is hearing the community's and Commission's frustration; the economy could not have been predicted, but is turning around; hopefully, the project is a centerpiece; the City expects the project to be aggressively pursued; there will be a serious discussion if the 2012 deadline is missed.

Mr. Marshall stated Catellus would do a better job of keeping the City informed.

Chair Gilmore stated that she appreciates the sentiment; updates would be helpful going forward.

Commissioner Tam stated that she sees the transfer as a fresh start; the lag has been due to the economy; Mr. Marshall has indicated the DDA amendments would be technical changes; the Deputy City Manager – Development Services has implied there would be an adjustment and crediting of the fire that cost \$2.2 million and the Stargell project which came in at \$9.2 million.

The Deputy City Manager – Development Services stated staff could discuss the matter as part of the DDA amendments; the current DDA does not include anything regarding the fire.

Commissioner Tam stated that she recalls the DDA has a demolition requirement.

The Deputy City Manager – Development Services stated the DDA does not address anything regarding the City being reimbursed.

Commissioner deHaan stated the building had to be removed after the fire; the City did not have a choice; Catellus did not step up to the plate.

The Deputy City Manager – Development Services stated Catellus would have had to pay for demolition as part of its costs.

Commissioner Tam stated the City's costs exceeded the demolition cost.

The Acting City Attorney stated there was urgency to do the clean up; in the [DDA] the developer has the choice of whether or not to elect to do the next piece, which is why the City took care of demolition without insisting that the developer pay, with the idea that the matter would be revisited later on if the developer proceeds.

The Deputy City Manager – Development Services stated staff could discuss reimbursement as part of the DDA discussions.

Commissioner Tam inquired whether Catellus is receptive.

Mr. Marshall responded Catellus understands how everything works; stated the topic is familiar; Catellus would put a plan together that would attempt to meet the schedule; whatever can be done to not overly burden the initial phase would be helpful in implementing the schedule; Catellus recognizes that it would have had to pay to demolish the hospital after committing to the phase that includes that part of the property; unfortunately, the costs the City incurred were exponentially higher than what Catellus would have had to pay; Catellus understands the City will want to discuss the matter.

In response to Commissioner Bonta's inquiry about the size of the Emeryville Target, Mr. Whiskeman responded approximately 138,000 square feet.

Commissioner Bonta inquired whether Target is aware of the schedule and whether being slated to open [in Alameda] in 2013 is consistent with Target's plans, to which Mr. Whiskeman responded Target has a very specific process to open a store and the schedule fits.

Commissioner Bonta stated there has been frustration with project delays; clearly, there have been challenges; hopefully, Catellus gets the sense that the community really wants the project; that he is excited about the new energy, money and the project becoming a higher priority [under TPG]; however, nothing will speak louder than action.

Commissioner Johnson inquired whether Catellus would ask for any changes to the milestones or schedule in the DDA amendments, to which Mr. Marshall responded Catellus has not contemplated doing so at this point.

Commissioner Johnson urged Catellus not to do so.

In response to Commissioner deHaan's inquiry about when the DDA amendments would come back, Mr. Marshall stated planning efforts have been shared with staff and the process would continue at another meeting scheduled for March 20<sup>th</sup>; Catellus is doing technical studies and background underwriting needed to press forward; Catellus

should be in a position to come back with the list of items [DDA amendments] in a matter of months.

Commissioner deHaan stated Catellus has been involved in the Emeryville and Fremont Target stores; inquired where the other store mentioned would be located, to which Mr. Marshall responded New Jersey.

In response to Commissioner deHaan's comments regarding handling the DDA separately, Mr. Marshall stated Catellus has a very limited timeline to meet the initial phase obligation; coming with a list of egregious DDA amendments would be foolish; a protracted DDA negotiation is not in Catellus's schedule.

Commissioner deHaan moved approval of the staff recommendation, with stipulations that the DDA amendments would be presented to the Commission in the next few months and concerns about the City's outstanding money [spent on the hospital fire and Stargell improvements] would be part of the [DDA amendment] discussions.

Commissioner Johnson seconded the motion, which carried by unanimous voice vote – 5.

\* \* \*

Mayor Chair Gilmore called a recess to hold the regular meeting at 9:12 p.m. and reconvened the meeting at 11:24 p.m.

\* \* \*

### CONSENT CALENDAR

Mayor/Chair Gilmore announced that the Contract [paragraph no. 11-018 ARRA] was withdrawn from the agenda.

Councilmember/Board Member/Commissioner deHaan moved approval of the remainder of the Consent Calendar.

Vice Mayor/Board Member/Commissioner Bonta seconded the motion, which carried by unanimous voice vote – 5. [Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

(\*11-092 CC/11-017 ARRA/11-010 CIC) Minutes of the Special Joint City Council, ARRA, and CIC Meeting Held on January 25, 2011; and the Special Joint City Council, ARRA, CIC, and Housing Authority Board of Commissioners Meeting Held on February 1, 2011. Approved.

(11-018 ARRA) Recommendation to Award Contract for the Alameda Point Resource Team to Perkins + Will in the Amount of \$200,000 for Land Use Planning Consulting

Services. Not heard.

#### AGENDA ITEM

(11-093 CC/11-019 ARRA/11-011 CIC) Recommendation to Accept the Quarterly Financial Report Through December 31, 2010 and Approve the Mid-Year Budget Adjustments to the City's FY10-11 Budget.

The Controller gave brief presentation.

Mayor/Chair Gilmore inquired whether the \$1.1 million for the Alameda Point Going Forward Project is related to what was requested tonight under another item [Perkins + Will contract, paragraph no. 11-018 ARRA]

The Deputy City Manager – Development Services responded the Contract is included in the \$1.1 million; stated staff is suggesting using \$300,000 in bond money so that the net would be \$700,000, which includes \$400,000 for water and \$330,000 for the Alameda Point Going Forward Project.

Mayor/Chair Gilmore inquired whether approving the funding would back ARRA into approving the contract.

The Deputy City Manager – Development Services responded the item would not go forward without the contract being approved by ARRA.

Mayor/Chair Gilmore stated that she and Councilmember/Board Member/Commissioner deHaan asked for an explanation regarding the General Fund balance.

The Acting City Manager/Executive Director stated a memo would go out tomorrow.

The Controller stated the available reserves in the General Fund ranged from 14% to 21% for Fiscal Year 2001-2002; the Fiscal Year 2010-2011 budget is at 21% and is similar to Fiscal Year 2002-2003 and Fiscal Year 2003-2004; the main reason the percentage has gone up is that the Fleet Industrial Service Center (FISC) Special Revenue Fund has repaid the City \$1 million from a loan;; the City has had expenditure savings on average of about 5% the last couple of years; unexpected vacancies result in savings; capital maintenance expenditures were approximately \$600,000 for Fiscal Year 2004-2005; in Fiscal Year 2009-2010, \$1.5 million was spent; \$2 million has been budgeted for Fiscal Year 2010-2011.

The Acting City Manager/Executive Director stated departments have done a lot of belt tightening; one year, expenditures came in \$5 million under budget.

The Controller stated Fiscal Year 2009-2010 had a positive variance and generated



about \$3 million in savings; the percentage variance was only 2% for revenues in Fiscal Year 2009-2010 and was in the norm for projections.

In response to Councilmember/Board Member/Commissioner Johnson's inquiry regarding the Community Development positions, the Deputy City Manager – Development Services stated the Community Development Department is doing much better than in the last three years; currently, Community Development funds are \$40,000 in the black; staff expects to break even by the end of the year even with budget adjustments; permits have increased by 37% with a 70% increase in construction value; two code enforcement inspectors have been converted to permit positions; code enforcement generates over \$260,000 in revenue and expenditures are at \$179,000; a temporary, part-time counter planner has been doing a tremendous job; staff would like to change the position to a full-time, permanent position.

The Building Official stated the part-time counter planner has provided consistency and improved customer service.

Councilmember/Board Member/Commissioner Johnson stated some of the revenue from the sale of the Alameda Towne Centre sale should be set aside for capital improvements; the money is one-time revenue.

The Acting City Manager/Executive Director stated most of what is in the General Fund are one-time expenses.

Councilmember/Board Member/Commissioner Johnson inquired whether the \$2.1 in property transfer tax [from the sale of the Alameda Towne Center] would be spent through June.

The Controller responded in the affirmative; stated some payments are required versus discretionary; the City cannot get out of the \$860,000 EMS payment and \$575,000 in labor settlements; the cable studio upgrade expenditure is optional.

Councilmember/Board Member/Commissioner Johnson stated cable studio upgrading needs to be done; maintaining fiscal discipline in Internal Service Funds is important.

The Controller stated all funds are contributing to Internal Service Funds; staff wants to bring up the fund balance in the unemployment insurance fund.

Councilmember/Board Member/Commissioner Johnson stated departments need to build the Unemployment Insurance Fund.

The Acting City Manager/Executive Director stated some expenses need to be paid one way or another; requesting departments to eat a cost would result in being over budget.

Councilmember/Board Member/Commissioner Johnson stated the \$2.1 million is artificial and should be used for mandatory one-time expenses.

\* \* \*

(11-094 CC/11-0220 ARRA/11-012 CIC) Councilmember/Board Member/Commissioner deHaan moved approval of continuing the meeting past midnight.

Vice Mayor/Board Member/Commissioner Bonta seconded the motion, which carried by unanimous voice vote – 5.

\* \* \*

Mayor/Chair Gilmore stated departments would come in over budget at the end of the year and look to the General Fund if the \$2.1 million is not used for projected overages.

Councilmember/Board Member/Commissioner Johnson stated departments would need to explain why they are over budget; some of the \$2.1 million is being used for mandatory expenses; the discretionary portion of the \$2.1 million is probably \$500,000.

The Controller stated the discretionary portion is approximately \$400,000.

Councilmember/Board Member/Commissioner deHaan stated Other Post Employment Benefits went up 11%; inquired whether the Police and Fire Departments are fine with the projected overtime budget.

The Acting Police Chief responded that he is comfortable with the bottom line; stated overtime has been projected; the Police Department has had more overtime than normal due to injuries; the Superior Court closure has had an impact; a significant incident, such as a homicide, is out the Department's control.

The Acting Deputy Fire Chief responded the Fire Department anticipates overtime savings because of the Staffing for Adequate Fire and Emergency Response (SAFER) hiring.

Councilmember/Board Member/Commissioner deHaan inquired what is the overtime budget for Police and Fire, to which the Controller responded overtime for Fire is \$725,000 and Police is \$400,000.

The Controller stated overtime [overage] would be covered with savings in other categories.

The Acting City Manager/Executive Director stated barring unforeseen major incidents, the projected overtime is a worse case scenario.

Mayor/Chair Gilmore stated that she appreciates the heads up; the

Council/Board/Commission would not have been happy hearing about projected overtime for the first time in June.

Councilmember/Board Member/Commissioner Tam stated the staff report notes the CIC is losing \$4.4 million in redevelopment funds because of Supplemental Educational Revenue Augmentation (SERAF) and has a potential loss of \$900,000 to \$1 million this year; inquired whether Proposition 22 was suppose to help shelter the funds.

The Acting City Manager/Executive Director responded the SERAF payments are a hold over from the budget a couple of years ago; stated the City is stuck with the second year SERAF payment regardless of Proposition 22.

Councilmember/Board Member/Commissioner Tam stated the City will never get the money back; inquired why projections at June 30, 2011 are approximately \$55 million for revenues and \$69 million for expenditures.

The Controller responded the Special Revenue Funds are project oriented; stated funds get built up and are spent when there is enough money; reserves are being used [for projects] this year; some years, Special Revenue Fund reserves go down.

Councilmember/Board Member/Commissioner Tam inquired whether lumping the Alameda Point Going Forward Project with ARRA repairs would sacrifice one for the other; stated the ARRA fund balance is \$7.5 million as of June 2010.

The Deputy City Manager – Development Services responded \$700,000 would be drawn down on the ARRA fund balance leaving a \$6.2 million fund balance at the end of this fiscal year.

Councilmember/Board Member/Commissioner Tam stated the Police and Fire Departments have provided worst case scenarios; an unanticipated \$2 million FISC fire required drawing down on ARRA reserves; ARRA was not previously charged for using water consumption due to an opened bypass valve diverting water from East Bay Municipal Utility District (EBMUD); there is a \$407,000 charge; there are unpaid reimbursement costs associated with the Joint Powers Authority (JPA) for maintenance of the Alameda Point water system between August 2005 and June 2009.

The Public Works Director stated a year ago, EBMUD advised the City that ARRA had not been paying for water; a bypass valve had been opened which allowed water to go to Alameda Point without being metered; the City is on a payment plan for 18 months; 2008 and 2009 water expenditures were significantly less; the JPA realized that some bills were not paid while negotiating JPA renewal; EBMUD could not verify whether the charges were billed; the City is on an 18-month payment plan for said charges also.

Councilmember/Board Member/Commissioner Tam inquired whether combined charges

total \$407,000.

The Public Works Director responded \$282,000 is for water, and \$125,000 for is for JPA; stated the 18-month payment plan includes payments next year.

Vice Mayor/Board Member/Commissioner Bonta stated burning through the \$2.1 million transfer tax in a short period of time is difficult; alternatives should be explored for the discretionary items; putting some of the money aside would be nice.

Councilmember/Board Member/Commissioner deHaan stated every good budget has contingencies; inquired why some items could not be taken care of with contingencies.

The Controller responded the City Manager contingency amount for Fiscal Year 2010-2011 is approximately \$200,000; stated half has been used this year.

The Acting City Manager/Executive Director stated the contingency would be used for the City Manager recruitment and employee training; some contingencies exist because departments have been good at saving money; a lot of departments will come in under budget.

Councilmember/Board Member/Commissioner deHaan inquired how things would have been paid without the money from the Alameda Towne Centre sale, to which the Controller responded the General Fund reserve would have had to have been drawn down.

Councilmember/Board Member/Commissioner deHaan stated the established threshold would be broken; inquired whether there would be enough revenue generation next year.

The Acting City Manager/Executive Director responded revenues will not have a spectacular growth; stated the real problem will be on the expenditure side; there will be a \$1.3 million hit for PERS, payments for miscellaneous employees and health care costs will go up.

Councilmember Tam moved approval of accepting the Quarterly Financial Report.

Councilmember Johnson seconded the motion.

The Controller inquired whether the motion includes approval of the budget adjustments.

Councilmembers Tam and Johnson agreed to amend the motion to include budget adjustments.

On the call for the question, the motion carried by unanimous voice vote – 5.

ADJOURNMENT

There being no further business, Mayor/Chair Gilmore adjourned the meeting at 12:25 a.m.

Respectfully submitted,

Lara Weisiger, City Clerk  
Secretary, CIC

The agenda for this meeting was posted in accordance with the Brown Act.

**UNAPPROVED**  
SPECIAL JOINT CITY COUNCIL, COMMUNITY IMPROVEMENT  
COMMISSION (CIC), AND HOUSING AUTHORITY  
BOARD OF COMMISSIONERS (HABOC) MEETING  
TUESDAY- -MARCH 1, 2011- -6:00 P.M.

Mayor Gilmore convened the meeting at 6:00 p.m.

Roll Call – Present: Councilmembers/Commissioners Bonta, deHaan, Johnson, Tam and Mayor/Chair Gilmore – 5.

Absent: Commissioner Allen – 1.

The meeting was adjournment to Closed Session to consider:

(11- CC/11- CIC/HABOC) Conference with Real Property Negotiators; Property: 2428 Central Avenue (Islander Motel); Negotiating parties: Housing Authority and Stahl-Wooldridge Construction; Under negotiation: Price and terms

(11- CC) Conference with Legal Counsel – Anticipated Litigation; Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9; Number of cases: One

Following the closed session, the meeting was reconvened and Mayor/Chair Gilmore announced that regarding Real Property, the legislative bodies gave direction to staff; and regarding Anticipated Litigation, Council provided direction to the attorneys.

Adjournment

There being no further business, Mayor/Chair Gilmore adjourned the meeting at 7:40 p.m.

Respectfully submitted,

Lara Weisiger  
City Clerk  
Secretary, CIC

The agenda for this meeting was posted in accordance with the Brown Act.

**UNAPPROVED**  
MINUTES OF THE SPECIAL JOINT COMMUNITY IMPROVEMENT  
COMMISSION (CIC), AND HOUSING AUTHORITY  
BOARD OF COMMISSIONERS (HABOC) MEETING  
WEDNESDAY- -MARCH 2, 2011- -6:59 P.M.

Chair Gilmore convened the meeting at 8:07 p.m. Commissioner Johnson led the Pledge of Allegiance.

ROLL CALL – Present: Commissioners Allen, Bonta, deHaan, Johnson, Tam, and Chair Gilmore – 6.

Absent: None.

AGENDA ITEM

(11- CIC) Recommendation to Approve an Owner Participation Agreement (OPA) and Authorize the Acting Executive Director to Execute an OPA and Other Related Documents with Resources for Community Development and the Housing Authority;

(HABOC) Recommendation to Approve an OPA and Authorize the Acting Chief Executive Officer to Execute an OPA and Other Related Documents with Resources for Community Development and the Community Improvement Commission; and

(11- A CIC) Resolution No. 11-179, "Authorizing the Issuance of Tax Allocation Housing Bonds to Provide Financial Assistance to the Housing Authority of the City of Alameda and as Otherwise Required for the Acquisition and Rehabilitation of a Rental Housing Facility Commonly Known as 2428 Central Avenue to be Occupied by Very Low-Income Households." Adopted.

The Housing Department Executive Director gave a brief presentation.

Speaker: Robb Ratto, Park Street Business Association.

Commissioner Tam stated redevelopment agencies are coming under scrutiny now; the interchangeability of tax increment funding generated by redevelopment areas has become an issue; tax allocation bonds are being repaid from tax increment generated from the Business and Waterfront Improvement Project (BWIP) and West End Community Improvement Project (WECIP); questioned whether using WECIP funds to pay for something outside of the redevelopment area would be an issue.

The Housing Department Development Manager responded BWIP and WECIP are merged project areas; stated the funds can be spent for either project area; Council and the CIC made findings that WECIP affordable housing funds can be spent outside of the WECIP project area; resolutions regarding the matter have been adopted.

Commissioner Tam stated that she understands that the redevelopment areas have merged and that the governing bodies have stipulated that housing monies can be put

into one pot and used anywhere on the Island; she is questioning whether the State would view the issue in the same manner; inquired whether the resolutions would be a problem.

Paul Thimmig, Bond Counsel, responded the State would have to respect findings made before January 1<sup>st</sup>; stated the State wants the dollars and does not care where money is spent; tonight's actions would not run afoul of the complaints in Sacramento.

Commissioner Tam stated that she recalls the Controller stating that the districts need review because other cities interchangeable uses have been perceived as abusive.

The Acting Legal Counsel stated the motion should be done in two steps; the first step would be approval for the CIC and HABOC to authorize execution of the OPA; the second step would be to adopt the CIC resolution.

Commissioner Johnson moved approval of the CIC and HABOC authorizing execution of the OPA.

Commissioner Bonta seconded the motion.

Under discussion, Commissioner Johnson stated the project would renovate 62 units of affordable housing for low and very low income people and would create 35 jobs per million dollars.

The Acting Legal Counsel stated Section 7.6 should read "If this Agreement is terminated pursuant to Section 7.2 or 7.3," not Section 7.4.

On the call for the question, the motion carried by unanimous voice vote – 6.

Commissioner Johnson moved adoption of the CIC resolution.

Commissioner Bonta seconded the motion, which carried by unanimous voice vote – 5.

## ADJOURNMENT

There being no further business, Chair Gilmore adjourned the meeting at 8:22 p.m.

Respectfully submitted,

Lara Weisiger  
Secretary, CIC

The agenda for this meeting was posted in accordance with the Brown Act.



UNAPPROVED  
MINUTES OF THE SPECIAL JOINT CITY COUNCIL AND  
COMMUNITY IMPROVEMENT COMMISSION (CIC) MEETING  
TUESDAY- -MARCH 8, 2011- -6:00 P.M.

Mayor/Chair Gilmore convened the meeting at 6:02 p.m. Councilmember/Commissioner Tam led the Pledge of Allegiance.

ROLL CALL – Present: Councilmembers/Commissioners Bonta, deHaan, Tam and Mayor/Chair Gilmore – 4.

Absent: Councilmember/Commissioner Johnson - 1.

AGENDA ITEM

(11- CC/11- CIC) Recommendation to Approve an Assignment and Assumption Agreement Between the City of Alameda and the Community Improvement Commission of the City of Alameda for the Historic Theater Lease;

(11- A CC/11- A CIC) Recommendation to Approve an Assignment and Assumption Agreement Between the City of Alameda and the Community Improvement Commission of the City of Alameda for the Ground Lease of Cineplex Parcel;

(11- B CC/11- B CIC) Recommendation to Approve an Assignment and Assumption Agreement Between the City of Alameda and the Community Improvement Commission of the City of Alameda for the Historic Theater Retail Leases;

(11- C CC/11- C CIC) Recommendation to Approve and Authorize Conveyance of Civic Center Parking Structure by the Community Improvement Commission of the City of Alameda to the City of Alameda;

(11- D CIC) Resolution No. 11-180, "Approving and Authorizing the Transfer of Certain Real Property and Assignment of Certain Leases to the City of Alameda in Connection with the Alameda Theater Project." Adopted; and

(11- D CC) Resolution No. 14554, "Approving and Authorizing Acceptance of Conveyance of Certain Real Property and Assignment of Certain Leases from the Community Improvement Commission the City of Alameda in Connection with the Alameda Theater Project." Adopted.

The Deputy City Manager and Acting City Attorney gave a brief presentation.

Mayor/Chair Gilmore stated local oversight does not mean Alameda citizens but could be citizens from Alameda County or the Bay Area; the bottom line is that the City and residents would most likely not have control over disposal of the asset.

Councilmember/Commissioner Tam moved approval of the staff recommendation.

Vice Mayor/Commissioner Bonta seconded the motion.

Under discussion, Mayor/Chair Gilmore thanked Assembly Member Sandre Swanson for opposing the State's attempt regarding illegal seizure of redevelopment funds; stated the reason cities and the California Redevelopment Association are fighting the issue so hard is because redevelopment generates approximately 300,000 jobs Statewide, supports economic growth, affordable housing, and local community clean up; redevelopment is an important tool used to improve quality of life; commended Assembly Member Swanson for supporting the 61% of voters who approved Proposition 22 in November 2010; Assembly Member Swanson supports the will of the voters in Alameda; today, the League of California Cities is in the middle of a Statewide push to ensure all legislators support the will of the people and emulate Assembly Member Swanson; encouraged the citizens of Alameda to support the League of California Cities petition and visit [www.myvotecounts.org](http://www.myvotecounts.org) and register support for local funding; the issue is particularly important for Alameda.

On the call for the question, the motion carried by unanimous voice vote – 4. [Absent: Councilmember/Commissioner Johnson -1.]

#### ADJOURNMENT

There being no further business, Mayor/Chair Gilmore adjourned the meeting at 6:09 p.m.

Respectfully submitted,

Lara Weisiger, City Clerk  
Secretary, CIC

The agenda for this meeting was posted in accordance with the Brown Act.